

IT-R (02-03)
Transfer Inheritance Tax
PO Box 249
Trenton, NJ 08695-0249

STATE OF NEW JERSEY
Inheritance Tax Return
RESIDENT DECEDENT
(Instructions on reverse side)

(67) For Division Use Only

Decedent's Name _____ (Last) (First) (Middle) Decedent's S.S. No. _____ / _____ / _____

Date of Death (mm/dd/yy) _____ / _____ / _____ County of Residence _____ Testate ☐ Intestate ☐

**Mailing Address
to send all
correspondence**

Name _____ Daytime Phone () _____
Street _____
City _____ State _____ Zip Code _____

1. Real Property	Total carried forward from - Schedule A	1.		
2. Closely Held "Businesses"	Total carried forward from - Schedule B	2.		
3. All Other Personal Property	Total carried forward from - Schedule B(1)	3.		
4. Transfers	Total carried forward from - Schedule C	4.		
5. Gross Estate	Total Lines 1 thru 4	5.		
6. Deductions	Total carried forward from - Schedule D	6.		
7. Net Estate	Total - Line 5, minus Line 6	7.		
8. Contingent Amount Included in Line 7 (See explanation on reverse side)		8.		

9. Balance of Estate (Line 7, minus Line 8) 9.

Class	Number of Beneficiaries	Total	Exempt	Taxable		TAX
10. A (Spouse)	_____	\$ _____ / _____	\$ _____ / _____	\$ _____ / _____	10.	
11. A (Other)	_____	\$ _____ / _____	\$ _____ / _____	\$ _____ / _____	11.	
12. C	_____	\$ _____ / _____	\$ _____ / _____	\$ _____ / _____	12.	
13. D	_____	\$ _____ / _____	\$ _____ / _____	\$ _____ / _____	13.	
14. E	_____	\$ _____ / _____	\$ _____ / _____	\$ _____ / _____	14.	
15. Compromise Tax Due on Line 8 Amount (See explanation on reverse side)					15.	
16. Contingent Tax (See explanation on reverse side)					16.	
17. Total Tax Due (Total - Line 10 thru Line 16)					17.	
18. Interest Due (If applicable) (See explanation on reverse side)					18.	
19. Total Amount Due (Line 17, Plus Line 18)					19.	
20. Payment on Account (If applicable)					20.	
21. If Line 20 (Payments) is LESS THAN Line 19, Enter BALANCE DUE - PAY THIS AMOUNT →					21.	
22. If Line 20 (Payments) is MORE THAN Line 19, Enter REFUND AMOUNT					22.	

23. Are any questions in Schedule "C" answered yes? 23. Yes ☐ No ☐
24. Have or will you file or are you required to file a Federal Estate Tax Return? 24. Yes ☐ No ☐
25. Has or will any disclaimer been filed? If so, attach copy 25. Yes ☐ No ☐

26. If the decedent died after December 31, 2001, did the decedent's taxable estate plus adjusted taxable gifts for Federal estate tax purposes under the provision of the Internal Revenue Code in effect on December 31, 2001 exceed \$675,000? 26. Yes ☐ No ☐

If yes, by how much \$ _____.

Indicate which letters were issued and where issued:

Letters of Administration ☐ Letters Testamentary ☐ State of _____ County of _____

SUBMIT A FULL COPY OF THE DECEDENT'S WILL, CODICILS, TRUSTS, AND A COPY OF THE LAST FULL YEAR'S FEDERAL INCOME TAX RETURN.

Affiant says, under penalty of perjury, "I declare that I have examined this return and all accompanying schedules and to the best of my knowledge and belief, it is true, correct and complete." I hereby authorize the party(s) set forth above to act as the estate's representative, to receive confidential information, and to make presentations on behalf of the estate.

Subscribed and sworn before me

this _____ day of _____, _____.

(Executor - Administrator - Heir-at-law)

Address: _____

Official Title (Notarized)



INSTRUCTIONS FOR RECITAL PAGE

Lines 8, 15 and 16

In the case of a transfer or transfers made subject to a contingency or condition which renders a definite determination of the Transfer Inheritance Tax due impossible, the Division will suggest a compromise of the tax based upon immediate payment and final disposition of the tax. N.J.A.C. 18:26-2.14, N.J.S.A. 54:36-5 AND 54:36-6.

Therefore, enter on Line 8, the amount of the estate that is "Contingent."

In the event you wish to compute a compromise for the Division's review, you should include a rider setting forth full computations and details and enter the proposed amount on Line 15. Following this procedure may speed the auditing of the decedent's return.

Be advised that where all or any portion of the contingent amount has vested in a beneficiary by reason of the happening of any contingency event, full details should be set forth on a rider, the tax computed on a rider and entered on Line 16.

Line 18

Interest accrues at the rate of 10% per annum on any direct

tax or portion thereof not paid within eight months of the decedent's death.

With respect to the payment of the tax due on an executory devise, or a transfer subject to a contingency or power of appointment, any payment on such a transfer after the expiration of two months from the date the contingency occurs or the property vests, shall bear interest at the rate of 10% per annum from the date the contingency occurs or the property vests, until the date of actual payment.

In any case where a contingent remainder vests in beneficial possession and enjoyment subsequent to the death of the original decedent, but prior to the expiration of the statutory interest period, interest on the contingent tax does not start to accrue until eight months from the date of death of the original decedent.

Line 20

Payments on account may be made at any time to avoid further accrual of interest on the amount so paid. Any overpayment will be promptly refunded upon determination of the actual amount payable. Make checks payable to "N.J. Inheritance Tax", PO Box 249, Trenton, NJ 08695-0249.

Examples of Interest Computations

Date of Death	5-28-90
Interest Date (eight months)	1-28-91

Tax Assessed	\$7,120.48
Interest @ 10% per annum from 1-28-91 to 9-19-91 ($\$7,120.48 \times 10\% \times 234/365$)	456.49
Total	7,576.97
Payment on Account (9-19-91)	(7,120.48)
Balance Due (plus interest @ 10% per annum from 9-19-91 to date of final payment)	456.49

Date of Death	8-29-90
Interest Date (eight months)	4-29-91

Tax Assessed	\$68,389.70
Payment of Account (4-19-91)	(16,974.56)
Balance	51,415.14
Payment on Account (4-28-91)	(31,927.02)
Balance	19,488.12
Interest @ 10% per annum from 4-29-91 to 5-10-91 ($\$19,488.12 \times 10\% \times 11/365$)	58.73
Total	19,546.85
Payment on Account (5-10-91)	(27,048.67)
Overpayment (to be refunded)	7,501.82

**SCHEDULE "A" REAL PROPERTY
RESIDENT DECEDENT**
(See Instructions on reverse side)

Decedent's Name		Decedent's Social Security Number		
Description of New Jersey Real Estate	Full Assessed Value for Year of Death	Full Market Value at Date of Death	Value of Decedent's Equity and (How Determined)	This Column for Division Use
1. Street and Number Municipality: Lot: Block: County: Title/Owner of Record: Mortgage Balance: \$				
Insert this total on page 1, line 1				

INSTRUCTIONS FOR SCHEDULE "A"

Only list real property situated in New Jersey

State the amount of mortgage encumbrances upon any parcel at date of decedent's death. State whether there was any mortgage insurance and, if so, submit verification as to the amount of same. If decedent died without a will, state date of acquisition of each parcel of real property. If the decedent owned a fractional interest, state the names in which the realty was held, whether as joint tenants with right of survivorship, or as tenants in common, and set forth in detail how the interest was acquired.

Real property held by husband and wife as "tenants by the entirety" in the estate of the spouse dying first need not be reported, regardless of the date of death.

The real property should, wherever possible, be described by lot and block number, or street and street number, or by a general description, with a reference to a record of the deed by which title was conveyed.

Taxes, assessments, accrued interest on mortgages, etc. must not be claimed in this schedule but are to be listed on Schedule "D" of this return.

Unpaid inheritance taxes constitute a lien on real property and waivers are therefore required to transfer said real property, with the exception of real property held by husband and wife as "tenants by the entirety" in the estate of the spouse dying first, regardless of the date of death.

A membership certificate or stock in a New Jersey cooperative housing corporation held in the name of the decedent and a surviving spouse as joint tenants with the right of survivorship is exempt on or after May 6, 1980, if it was their principal residence. However a waiver is required for this transfer in the estate of a resident decedent. (This should be reported on Schedule "B-1").

An interest in a condominium is an interest in Real Property and therefore reportable on Schedule "A".

Submit a copy of any appraisal, contract of sale and/or closing statement.

(See Instructions on reverse side)

Decedent's Social Security Number

Insert this total on page 1, line 2

(If additional space is required, attach riders of the same size)

INSTRUCTIONS FOR SCHEDULE "B"

If the taxpayer had any interest in a closely held corporation, partnership, joint venture or sole proprietorship, the following information is required (in each instance):

1. A detailed balance sheet and profit and loss statement, revised to reflect the market value of the assets thereof as distinguished from the net book value, as of the decedent's date of death, or as near thereto as the Director may deem acceptable.
2. For the five year period preceding the decedent's date of death;
 - A. Detailed balance sheets.
 - B. Detailed profit and loss statements.
3. The nature of the business.
4. Describe and state the assessed and market value of any real property.
5. Set forth your basis for determining the clear market value as reported.

CLOSELY HELD CORPORATIONS

If the decedent had any interest in a closely held corporation, submit (in addition to the general information required above):

1. For the five year period preceding the decedent's date of death:
 - A. A listing of salaries paid to officers.
 - B. A listing of dividends paid, together with the name(s) of the payees.
2. Copy/copies of any stock purchase or option agreement to which the decedent was a party as of the date of death.
3. Copy/copies of any insurance policy/policies on the decedent's life payable to the corporation as beneficiary together with a statement of the benefits payable thereunder.
4. The number of shares of stock of all classes issued and outstanding and the par value thereof.
5. List of stockholders setting forth the number of shares held by each.

PARTNERSHIPS OR JOINT VENTURES

If the decedent had any interest in a partnership or joint venture, submit (in addition to the general information required above):

1. Copy of the partnership agreement.
2. Copy/copies of any mutual purchase agreement(s) to which the decedent was a party at the date of death.
3. Copy/copies of any insurance policy/policies on the decedent's life payable to the surviving partners as beneficiary together with a statement of the benefits payable thereunder.

SOLE PROPRIETORSHIPS

If the decedent had any interest in a sole proprietorship, submit (in addition to the general information required above):

1. If any of the sole proprietorship's assets are listed elsewhere on this return, (i.e. Schedule "A"), make full disclosure.

(See Instructions on reverse side)

Decedent's Social Security Number

This Column for
Division Use

Insert this total on page 1, line 3

(If additional space is required, attach riders of the same size)

INSTRUCTIONS FOR SCHEDULE "B (1)"

List all other personal property (excluding that on Schedule B) including all tangible personal property located permanently in New Jersey.

This schedule must disclose not only all other personal property owned individually by the decedent but also all other personal property standing in joint names (such as United States Savings Bonds, bank accounts, shares of stock, etc.) which may be claimed by another or others as survivors.

Unless the surviving joint tenant is also the surviving spouse on or after January 1, 1985, or is a child, parent, stepchild, legally adopted child, issue of any child or legally adopted child, or mutually acknowledged child on or after July 1, 1988, the transfer of ownership to a surviving joint tenant or tenants pursuant to a joint tenancy with the right of survivorship is a transfer subject to tax. The deceased joint tenant is deemed to have been the absolute owner of the property and the survivor/survivors are presumed to have received a devise or bequest of the whole and not a part of the property. This presumption can be rebutted to the extent that the survivor can prove contributions out of funds separate and apart from those that originated in the decedent. All joint assets including those passing to exempt beneficiaries and those claimed not to have belonged to the decedent must be listed.

This schedule must list all other intangible personal property such as, but not limited to, United States Savings Bonds; treasury certificates; cash on hand; cash in the bank; deposits in Federal or State Credit Unions; mutual funds; bonds and mortgages; promissory notes; claims; accounts receivables; corporate bonds; corporate stocks; accrued interest; dividends; salaries or wages; insurance payable to the estate or its representatives; interest in any undistributed estate or income from any property held in trust under the will or agreement of another, even though physically located outside the state at the time of death.

Waivers are not required for automobiles, household goods, accrued wages or mortgages, but these items must be reported on this schedule.

A membership certificate or stock in a New Jersey housing corporation held in the name of the decedent and a surviving spouse as joint tenants with the right of survivorship is exempt on or after February 8, 1980, if it was their principal residence; however, a waiver is required for this transfer in the estate of a resident decedent.

**SCHEDULE "C" TRANSFERS
RESIDENT DECEDENT**

Decedent's Name

Decedent's Social Security Number

(ALL QUESTIONS MUST BE ANSWERED)

1. Did decedent, within three years of death, transfer property, valued at \$500.00 or more, without receiving full financial consideration therefor? ☐ Yes ☐ No
2. Did decedent, at any time, transfer property, reserving (in whole or in part) the use, possession, income, or enjoyment of such property? ☐ Yes ☐ No
3. Did decedent, at any time, transfer property on terms requiring payment of income to decedent from a source other than such property? ☐ Yes ☐ No
4. Did decedent, at any time, transfer property, the beneficial enjoyment of which was subject to change because of a reserved power to alter, amend, or revoke, or which could revert to decedent under terms of transfer or by operation of law? ☐ Yes ☐ No
If answer to any of the above questions is "Yes", set forth a description of property transferred, the fair market value at date of death, dates of transfers, and to whom transferred. Submit copy of trust deed or, agreement, if any. (If transfers are claimed to be untaxable, also submit detailed statement of facts on which such claim is based, proof as to decedent's physical condition and copy of death certificate.)
5. Was decedent a participant in any pension plan that provided for payment of an annuity or lump sum on or after death to another? ☐ Yes ☐ No
6. Did decedent purchase or in any manner participate in any contract or plan providing for payment of an annuity or lump sum on or after death to another, *except life insurance contracts* payable to a designated beneficiary? ☐ Yes ☐ No
(Matured endowment policies, claim settlement certificates, supplementary contracts, annuity contracts and refunds thereunder and interest income certificates even though issued by an insurance company are not considered life insurance contracts.)
7. Was a single premium life insurance policy issued on decedent's life in conjunction with an annuity contract? ☐ Yes ☐ No
If answer to questions 5, 6 or 7 is "Yes" attach photostatic copies of all such contracts, plans, and policies.
8. Were any accumulated dividends due on any contract of insurance? (If yes, list below) ☐ Yes ☐ No

Date of Transfer; Description of Property, Both Real and Personal: Actual Consideration if Any; Names and Relationship to Decedent of Donees, Assignees, Transferees, etc.	Market Value at Date of Death	This Column for Division Use
1.		
Insert this total on page 1, line 4		

(If additional space is required, attach riders of the same size)

SCHEDULE "D" DEDUCTIONS CLAIMED
RESIDENT DECEDENT
(See Instructions on reverse side)

Decedent's Name	_____/_____/_____ Decedent's Social Security Number
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Debt or Claim of	Nature of Same	Amount	This Column for Division Use
Name: _____ Name: _____ Names: _____ SS# _____/_____/_____ SS# _____/_____/_____ 	Estimated Expenses for: <input type="checkbox"/> Funeral <input type="checkbox"/> Administration Counsel Fees: <input type="checkbox"/> Agreed Upon <input type="checkbox"/> Estimated Executor's or Administrator's Commissions (Must not be claimed unless reported for Income Tax purposes.) Other Deductions (list individually)		
Insert this total on page 1, line 6			

INSTRUCTIONS FOR SCHEDULE “D”

If any notes, brokerage accounts or other claims are secured by collateral, describe the collateral pledged, with its value as of the date of death of the decedent and state whether or not said collateral is included among the assets disclosed in Schedule B or B(1). If collateral is not pledged, state after each loan “No collateral pledged”.

NOTE: No debt or claim is to be listed in this schedule unless still owing and unpaid at the time of death and unless such debt or claim is to be paid out of the assets of the estate.

(EXAMPLE: That portion of medical bills paid or reimbursed by Medicare or other medical insurance should not be claimed on this schedule).

Contested claims must be explained in detail. Do not list any taxes, either real, personal or income, chargeable for any period subsequent to date of death; nor any claim against property located outside of New Jersey, unless such property is subject to tax in this state.

The estate agrees to advise the Division if the amount actually paid in settlement of any fee, commission or debt is greater or less than the estimated amount allowed and further agrees to the correction of the assessment, if necessary.

For mortgages see instructions for Schedule “A”.

Examples of Allowable Deductions

FUNERAL EXPENSES:

Cemetery Plot (immediate family)
Funeral Luncheon
Flowers
Minister/Rabbi
Monument/Lettering
Funeral Costs
Acknowledgments

Cost on recovery and/or discovery of assets
Will contests
Realty commissions in accordance with
N.J.A.C. 18:26-7.12
Probate litigation
Storage of property if delivery to legatee not possible
within reasonable time

ADMINISTRATION EXPENSES:

Appraisal of real estate
Appraisal of personal effects
Surrogate’s fees
Probate expenses
Fee to notify creditors
Death certificates
Telephone tolls
Cost of Executor’s or Administrator’s Bond
Collection costs
Court costs

DEBTS OF DECEDENT OWING and UNPAID AT TIME OF DEATH:

Personal accounts
Judgments
Federal income and gift taxes generally
Real estate mortgage:
(a) Interest accrued before death, deducted in
Schedule D
(b) Principal offset in Schedule A
Charitable pledges
State, county and local taxes accrued before death
Unpaid Inheritance Tax on interrelated estate

Examples of Non-Allowable Deductions

Contingent liabilities
Mortgage, taxes and accrued interest on tenants by entirety
property
Debts paid by insurance
Medical expenses paid prior to death
Liabilities of corporation of which decedent was a
shareholder
Real estate and property maintenance costs

Storage expense
Litigated and disputed claims
State, county and local taxes accruing after date of death
Transfer Inheritance Tax
Real estate brokers commissions, except if real property sold
during administration of estate
Debts on property located outside of New Jersey
Federal Estate Tax

Decedent's Social Security Number

[illegible][illegible]

Under authority of Federal law, the Division of Taxation of the Department of the Treasury of the State of New Jersey and the Internal Revenue Service have entered into a Federal/State Agreement for the mutual exchange of tax information for purpose of tax administration.

DID YOU REMEMBER TO:

1. Attach a copy of the decedent's will, codicils, trusts, and last full year's Federal Income Tax Return.
2. Fill-in the decedent's social security number.
3. Sign the return and have it notarized.

**FAILURE TO DO ANY OF THE ABOVE
MAY RESULT IN PROCESSING DELAYS**

All checks should be made payable to N.J. Inheritance Tax and mailed to:

N.J. Division of Taxation
Individual Tax Audit Branch
Transfer Inheritance and Estate Tax
PO Box 249
Trenton, New Jersey 08695-0249

For information regarding the N.J. Transfer Inheritance and Estate Taxes call:
(609) 292-5033
